

AF  
IFW

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Applicants:	Bruce Eisen et al.		
Assignee:	User Trends, Inc.		
Title:	Electronically Distributing Promotional and Advertising Material Based Upon Consumer Internet Usage		
Serial No:	09/379,167	Filing Date:	08/23/99
Examiner:	John L. Young	Group Art Unit:	3622
Docket No.:	M-7729 US	Appeal No:	2005-1659

**REPLY BREIF – REPLACEMENT COPY OF EXHIBIT 3**

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Dear Sir:

Enclosed please find a replacement copy of Exhibit 3 for the above-referenced matter.

Recently we noticed that the Declarations of Bruce Eisen and James Fedolfi, attached as Exhibit 3, were missing information initially included in the original copies forwarded to the Examiner on November 15, 2002 during the prosecution of this matter. We have remedied the inconsistencies and for your convenience have enclosed copies of the original submission.

If you have any questions, please do not hesitate to contact us.

Sincerely,

F. Jason Far-hadian, Esq.  
Reg. No.: 42,523

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

**Applicants:** Bruce Eisen et al.  
**Assignee:** User Trends, Inc.  
**Title:** Electronically Distributing Promotional And Advertising Material Based Upon Consumer Internet Usage  
**Serial No.:** 09/379,167 **Filing Date:** 08/23/99  
**Examiner:** John L. Young **Group Art Unit:** 2162  
**Docket No.:** M-7729 US

Assistant Commissioner of Patents  
Washington, D.C. 20231

**DECLARATION OF BRUCE EISEN**

I, Bruce Eisen, the undersigned declare as follows:

1. I am the President and CEO of UserTrends corporation. UserTrends is a privately held company headquartered in Los Angeles, California, which has developed proprietary e-mail marketing personalization solutions for both traditional and online retailers.
2. I have been in the email marketing industry for approximately four years. In my capacity as the President and CEO of UserTrends, I make decisions involving product development, market research, business models and strategies as well as determining the vision and direction of UserTrends both financially and in product marketing. Based on my background and experience in the industry, the scope of my duties as the President and CEO of UserTrends, my personal experience with UserTrends technology, and my knowledge of other technologies in the email marketing industry, I provide you the following professional opinion.
3. UserTrends data collection tools help companies learn about and precisely target individual customer interests. These solutions enable marketers to generate higher response rates to promotions, save on marketing costs, and increase sales and profits—all, while building a loyal customer base.

**BEST AVAILABLE COPY**

4. UserTrends' technology is different from cookie profiling and other email consumer profiling technologies for the following reasons: (1) UserTrends' technology accurately profiles a particular individual's interests and preferences by focusing on a known identifier associated with that particular individual, rather than using unanimous identifying means (i.e., a cookie) typically associated with a computer used by the individual, (2) UserTrends' technology does not require storage of a unique identifier on the client computer at any time and therefore does not require use of a certain "cookie handling feature" provided in a browsing software, (3) UserTrends' technology does not require authorized access to the client computer to retrieve information in a cookie file, (4) because of the above advantages implementation of UserTrends' technology requires substantially less resources and no or minimal customization and is substantially less expensive, and (5) UserTrends' technology does not burden the targeted audience to go through a lengthy or inconvenient registration process.

5. Competing electronic consumer profiling technologies generally capture individual data via an unfriendly registration process or by requiring a visitor logging in to the site or making a purchase. The e-marketing industry has generally used such data for mass direct marketing campaigns. In the case of data collected through a lengthy registration process, which only reveals a consumer's interest at a particular moment in time, aggregate profiling is usually necessary to determine what promotions to send the consumer.

6. Various competing profiling methods and their disadvantages when compared to UserTrends' technology are provided below:

Purchase Profiling - While purchase profiling is an accurate way of determining one interest of a customer, it isn't able to relate the customer's interests with other products they looked at but did not purchase. UserTrends' technology doesn't require a purchase or input of sensitive financial information to collect behavior data.

Registration Profiling - This requires individuals to take the time to fill out a long survey to provide marketers with some data regarding their particular interests. Unfortunately, the accuracy and reliability of such collected data are often questionable. These surveys can also often fail to weigh customer interests and only represent interests at one remote

11/15/2002 09:11

3107120199

BEL AIR COR

PAGE 84

instance—although interests change, registrations remain the same. UserTrends' technology does not require a burdensome registration and allows updating users' interest data based on each individual user's activities on various web pages.

Cookie Profiling - Although many websites employ cookie technology to capture some group and individual data, the identity of the website user remains anonymous. This is because a cookie can be only associated with a computer system and not an individual. Those who regard cookies as invasive erase them or block a web server from storing cookies on their computers. This makes it difficult, if not impossible, for marketers to acquire a consistent and individual profile. Without the need for cookies or the need for accessing client computer, UserTrends' technology collects, identifies, and tracks individual data transparently for profiling and marketing purposes.

7. In particular, cookie profiling technology requires modification and customization of websites so that web servers can successfully access and store a cookie on an end user's computer. Further, customization and modifications are required to accommodate the cookie handling features of various browser applications used by an end user so that the cookie profiling technology could work effectively across all systems and platforms. Customization of each website or web server is associated with high professional service fees and requires more sophisticated computing resources (e.g., software and hardware).
8. UserTrends' technology simply relies on preexisting email-associated resources and uses an email campaign that does not rely on customized web sites, sophisticated web servers, cookies or compatibility with cookie handling features of various browsers to collect highly individualized data. All that is required is an individual's email address and the individual's capability to receive email. The simplicity of UserTrends' technology provides a very efficient profiling technology that has convinced many UserTrends' clients to abandon other costly methodologies and solutions used previously.
9. The data collected via a cookie profiling technology cannot be directly associated with a particular user or email because a cookie profiling technology only provides information about the computer used and not the particular user. Where more than one individual uses the same

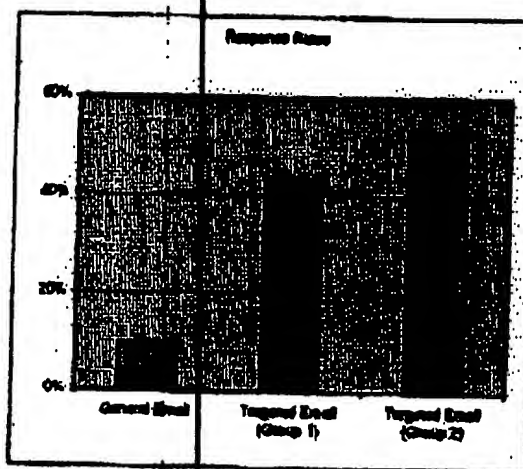
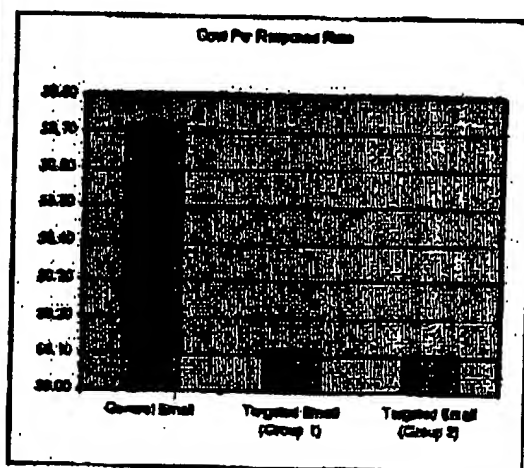
11/15/2002 09:11 3107120144

BEL AIR CDR

PAGE 05

computer, or where an individual uses more than one computer, cookie profiling technology does not provide accurate behavior patterns that are so valuable for targeted marketing.

10. UserTrends' technology allows association of an email campaign data to each individual's email address and does not depend on anonymous data (i.e., data that provides an association of behavior to a specific computer rather than to an individual). Our studies have shown that as a direct result of using Usertrands' technology higher response rates and conversion rates have been achieved from email campaigns by our clients over time as illustrated in the following charts.



11. Other email marketers have failed in targeting promotions to demonstrated web-site behavior down to the individual and therefore cannot accurately individualize the result of the information gathered from monitoring user movement on the Internet. UserTrends' technology addresses this long-felt need to solve the above deficiencies and problems. Utilizing UserTrends' technology targeted email promotions to individuals can be achieved, instead of executing mass marketing campaigns or marketing to large groups.

12. Utilizing UserTrends' technology has reduced professional service requirements of UserTrends' clients by more than 50%. This cost saving and efficiency in particular is due to ease of implementation and use of the Usertrands' technology because it does not require special "customization" of server systems and website servers that other cookie or registration profiling technologies require.

13. UserTrends has negotiated and is currently negotiating licensing arrangements with a number of current clients and other email marketing vendors to license UserTrends' proprietary technology. Majority of the license agreements are to vendors who "resell" the technology to their clients. Cable and Wireless (CWP), Xpedite (PTEK), Boldfish, and eContacts are among the vendors who have used UserTrends technology and have licensed or are considering licensing the technology. Many clients of these vendors have already used UserTrends' technology. These clients include HP, Compaq, Hawaiian Airlines, One World Networks, and CarrierPath.


14. The above information provides objective evidence of unexpected results, commercial success, the ability to meet a long-felt need where others have failed, and other factual evidence in relation to UserTrends' technology, such as licensing activities. This evidence when considered collectively indicates that UserTrends technology has been used to provide a distinct and novel solution to overcome an insoluble problem associated with the older electronic profiling technologies discussed above.

15. I hereby declare that all statements made herein are of my own knowledge and true and that all said statements are made on information and belief and are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under section 1001 of Title 18 of the United States Code,<sup>1</sup> and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

Respectfully submitted,

Date: November 14, 2002

By:

  
CEO, UserTrends

<sup>1</sup> (a) Except as otherwise provided in this section, whoever, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and willfully -

(1) files, conveys, or causes to be filed, or causes to be made, a material fact;

(2) makes any materially false, fictitious, or fraudulent statement or representation; or

(3) makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry, shall be fined under this title or imprisoned not more than 5 years, or both.

(b) Subsection (a) does not apply to a party to a judicial proceeding, or that party's counsel, for statements, representations, writings or documents submitted by such party or counsel to a judge or magistrate in that proceeding.

(c) With respect to any matter within the jurisdiction of the legislative branch, subsection (a) shall apply only to -

(1) administrative matters, including a claim for payment, a matter related to the procurement of property or services, personnel or employment practices, or support services, or a document required by law, rule, or regulation to be submitted to the Congress or any office or officer within the legislative branch; or

(2) any investigation or review, conducted pursuant to the authority of any committee, subcommittee, commission or office of the Congress, consistent with applicable rules of the House or Senate.

11/18/2002 11:24 3107120199

BEL AIR COR

PAGE 02  
P. 02



11-18/2002 07:24

3107120199

BEL AIR COR

PAGE 01

# IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicants: | Bruce Elen et al.  
Assignee: | User Trends, Inc.  
Title: | Electronically Distributing Promotional and Advertising Material  
Based Upon Consumer Interest Usage  
Serial No.: | 09/379,167 Filing Date: | 05/23/99  
Examiner: | John L. Young Group Art Unit: | 2162  
Docket No.: | M-7729 US

Assistant Commissioner of Patents  
Washington, D.C. 20231

## DECLARATION OF JAMES DOOLEY

I, James Dooley, the undersigned declare as follows:

1. I am the Vice President of eContacts corporation. eContacts is an international email marketing company with a place of business in Cambridge, Massachusetts and Dublin, Ireland. eContacts provides enabling solutions to companies involved in email marketing. Our clients include Fortune 100 companies (e.g., Sprint, Gateway Computers, etc.) in a variety of industries.
2. I have been in the email marketing industry with eContacts for approximately 4 years. In my capacity as the Vice President of eContacts, I make decisions involving the purchase, licensing, and utilization of technological tools to advance and promote eContacts' business and scope of influence in the current highly competitive electronic economic market. In that capacity, I am also involved in the management of business and financial operations of eContacts and overlook the development and success of eContacts and its client's marketing campaigns and evaluate the efficiency and effectiveness of technological tools used to achieve the same. Based on my background and experience in the industry, the scope of my duties as the Vice President of eContacts, my personal experience with UserTrends technology, and my knowledge of other technologies in the email marketing industry, I provide you the following professional opinion.

REST AVAILABLE COPY

11/18/2002 11:24 3107120199

NOV-18-2002 03:04 PM CSA COMMUNICATIONS

BEL AIR COR

017+556+2288

PAGE 03  
P.03

11/18/2002 07:24 3107120199

BEL AIR COR

PAGE 02

3. eContacts has been using UserTrends' proprietary electronic consumer profiling technology since 2000. eContacts has reviewed, and continues to review, other electronic profiling technologies to track particular consumer interests and profiles. Among all the technologies reviewed by eContacts, UserTrends' technology was most the efficient and effective in providing our email marketing clients with a solution for profiling email respondents web site behavior and targeted email campaigns.

4. UserTrends' technology is unique and superior to the other solutions and technologies we have used for the following reasons: (1) UserTrends' technology provides email marketers with data that cannot be otherwise collected with use of cookies (2) implementation of UserTrends' technology requires substantially less resources, (3) UserTrends' technology can be implemented with ease requiring no or minimal customization, (4) integration and use of UserTrends' technology is substantially less expensive than the other competing products in the market (5) UserTrends' technology does not burden the targeted audience to go through a lengthy or inconvenient registration process, (6) UserTrends' technology accurately profiles a particular individual's interests and preferences by focusing on a known identifier associated with that particular individual, rather than using anonymous identifying means typically associated with a computer used by the individual.

5. Competing electronic consumer profiling technologies generally capture individual data via an unfriendly registration process or by requiring a visitor logging in to the site or making a purchase. The e-marketing industry has generally used such data for mass direct marketing campaigns. In the case of data collected through a lengthy registration process, which only reveals a consumer's interest at a particular moment in time, aggregate profiling is usually necessary to determine what promotions to send the consumer. The following provides a list of various competing profiling methods and their disadvantages when compared to UserTrends' technology:

**Purchase Profiling** - While purchase profiling is an accurate way of determining real interest of a customer, it isn't able to relate the customer's interests with other products they looked at but did not purchase. UserTrends' technology doesn't require a purchase or input of sensitive financial information to collect behavior data.

11/18/2002 11:24 3107120199

NOV 18 2002 03:06 PM

USN COMMUNICATIONS

BEL AIR COR

617488612288

PAGE 04

P. 04

11/18/2002 07:24

3107120199

BEL AIR COR

PAGE 03

**Registration Profiling** - This requires individuals to take the time to fill out a long survey to provide marketers with some data regarding their particular interests. Unfortunately, the accuracy and reliability of such collected data are often questionable. These surveys can also often fail to weigh customer interests and only represent interests at one remote instance - although interests change, registrations remain the same. UserTrends' technology does not require a burdensome registration and allows updating users' interest data based on each individual user's activities on various web pages.

**Cookie Profiling** - Although many websites employ cookie technology to capture some group and individual data, the identity of the website user remains anonymous. This is because a cookie can be only associated with a computer system and not an individual. Those who regard cookies as invasive erase them or block a web server from storing cookies on their computers. This makes it difficult, if not impossible, for marketers to acquire a consistent and individual profile. Without the need for cookies, UserTrends collects, identifies, and tracks individual data transparently for profiling and marketing purposes.

6. Cookie profiling technology requires clients to modify and customize their websites so that their web servers could successfully access and store a cookie on an end user's computer. Further, customization and modifications are required to accommodate the cookie features of various browser applications used by an end user so that the cookie profiling technology can work effectively across all systems and platforms. Customization of each website or web server is associated with high professional service fees and requires more sophisticated computing resources (e.g., software and hardware). Where more than one individual uses the same computer, or where an individual uses more than one computer, cookie profiling technology does not provide accurate behavior patterns that are so valuable for targeted marketing.

7. UserTrends' technology simply relies on preexisting email-associated resources and uses an email campaign that does not rely on customized web sites, sophisticated web servers, cookies or availability of cookie handling features of various browsers to collect highly individualized data. All that is required is an individual's email address and the individual's capability to

11/18/2002 11:24 3107120199

BEL AIR COR

01/180012200

PAGE 05  
P.05

11/18/2002 07:24

3107120199

BEL AIR COR

PAGE 04

receive email. The simplicity of UserTrends' technology results in a very efficient profiling technology.

8. UserTrends' technology will allow us to associate email campaign data to each individual's email address and not depend on anonymous data (i.e., data that provides an association of behavior to a specific computer rather than to an individual). Combined with eContacts sequential email methodology (sending multiple targeted follow up emails using smart frequency algorithms and business rules) we can achieve 50% to 75% higher response rates from email campaigns. UserTrends' technology allows us to target promotions to individual preferences and demonstrated interests.

10. UserTrends' clickstream tracking technology will be a cornerstone of our new email management platform scheduled for release in Q103. eContacts pre-sell surveys show that the capabilities provided by UserTrends are in demand for early adopters of email marketing technology. We fully expect to win business away from our competitors who cannot bring added value to the email marketers by providing them with highly individualized consumer data.

11. Utilizing UserTrends' first stage click-tracking and campaign management technology, allowed us to reduced our professional service requirements by more than 50%. This cost saving and efficiency in particular is due to ease of implementation and use of the UserTrends' technology.

13. I hope that the above information will assist to shed some light on the usefulness of UserTrends' distinctive technology. I hereby declare that all statements made herein are of my own knowledge and true, and that all said statements are made on information and belief and are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under section 1001 of Title 18 of the United States Code,\* and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

(\*) Except as otherwise provided in this notice, whoever, in any manner while the application is under examination, preparation, or pending before the  
Commissioners of the United States, knowingly and willfully  
(1) swears, asserts, or moves up by any such means or device a material fact  
(2) makes any material statement, or  
(3) makes any false statement or statement knowing the same to be false, or  
(4) makes any false statement or statement knowing the same to be false, or  
shall be fined under this title or imprisoned not more than 5 years, or both.

PAGE 06

$$817 \div 166 + 2288$$

P. 00

**DEL AIR COR**

PAGE 85

Respectfully submitted,

**Date: November 13, 2002**

By: James J. Hoff  
James J. Hoff, VP & Controller, Inc.

[illegible]

3

REST AVAILABLE COPY